

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION



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IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR THE DETERMINATION OF THE CURRENT FAIL VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM WATER DISTRICT AND ITS SUN CITY WATER DISTRICT.

Docket No. W-01303A-09-0343

IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR THE DETERMINATION OF THE CURRENT FAIL VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES BASED THEREON FOR UTILITY SERVICE BY ITS ANTHEM/AGUA FRIA WASTEWATER DISTRICT AND ITS SUN CITY WEST WASTE WATER DISTRICT.

Docket Nos. SW-01303A-09-0343

NOTICE OF FILING CONSOLIDATED RATE SCHEDULES
BY MARSHALL MAGRUDER

25 JUNE 2010

Marshall Magruder files the Consolidated Rate Schedules herein. The Opening Brief will explain how these consolidated rates were determined. For all parties on the Service List with email addresses, the files necessary for use with version 4 of the Company's Consolidated Rate Model are provided. This permits all of the hundreds of detailed files to be reviewed.

I certify this filing has been mailed to the parties on the Service List.

Respectfully submitted on this 25th day of June 2010

MARSHALL MAGRUDER

By 

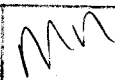
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Arizona Corporation Commission

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JUN 28 2010

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**CONSOLIDATED RATE SCHEDULES
BY MARSHALL MAGRUDER**

1. Scope. This filing consists of copies of spreadsheets computed using the version 4 of the Company's Consolidated Rates Microsoft Excel program. Two Excel files have been provided to all parties with email so that compatible reviews can be compared.
2. References. Upon inclusion of the two Excel files (included in the electronic submission of these schedules and indicated by * below), with updated Excel files from the version 4 Company's Consolidated Water Model are incorporated by reference in this submission:

AZAW Consol rates Water – Residential v4 Step 1.xls (dated 2 June 2010)
AZAW Consol rates Water – Residential v4 Step 2.xls (dated 2 June 2010)
AZAW Consol rates Water – Residential v4 Step 3.xls (dated 2 June 2010)
AZAW Consol rates Water – Residential v4 Step 4.xls (dated 2 June 2010)
AZAW Consol rates Water – Residential v4 Step 5.xls (dated 2 June 2010)
AZAW Consol rates Water – nonpotable v4 Step 1.xls (dated 2 June 2010)
AZAW Consol rates Water – nonpotable v4 Step 2.xls (dated 2 June 2010)
AZAW Consol rates Water – nonpotable v4 Step 3.xls (dated 2 June 2010)
AZAW Consol rates Water – nonpotable v4 Step 4.xls (dated 2 June 2010)
AZAW Consol rates Water – nonpotable v4 Step 5
AZAW Consol rates Water – PF v4 Step 1.xls (dated 2 June 2010)
AZAW Consol rates Water – PF v4 Step 2.xls (dated 2 June 2010)
AZAW Consol rates Water – PF v4 Step 3.xls (dated 2 June 2010)
AZAW Consol rates Water – PF v4 Step 4.xls (dated 2 June 2010)
AZAW Consol rates Water – PF v4 Step 5.xls (dated 2 June 2010)
AZAW Consol rates Water – Commercial v4 Step 1.xls (dated 2 June 2010)*
AZAW Consol rates Water – Commercial v4 Step 2.xls (dated 2 June 2010)
AZAW Consol rates Water – Commercial v4 Step 3.xls (dated 2 June 2010)
AZAW Consol rates Water – Commercial v4 Step 4.xls (dated 2 June 2010)
AZAW Consol rates Water – Commercial v4 Step 5.xls (dated 2 June 2010)
AZAW Consol rates Water – Total v4 Step 1.xls (dated 2 June 2010)*
AZAW Consol rates Water – Total v4 Step 2.xls (dated 2 June 2010)
AZAW Consol rates Water – Total v4 Step 3.xls (dated 2 June 2010)
AZAW Consol rates Water – Total v4 Step 4.xls (dated 2 June 2010)
AZAW Consol rates Water – Total v4 Step 5.xls (dated 2 June 2010)
Stepped Rate Summary v4.xls (dated 2 June 2010)

3. Discussion of Consolidated Schedules.

- a. Water District Schedules. The Rate Consolidation Schedules for the eight Water Districts use the references cited above. The "Assumptions" in file "AZAW Consol rates Water – Total v4 Step 1.xls" are provided in Attachment A. The above files contain mean and average customer usage data and specific changes for each district, rate category, and class. There are no other Model changes (other an correcting a minor summing function in Commercial Step 1 provided to all parties). A Step 1 solution is provided herein. Steps 2 to 5 will be discussed in the Brief.
- b. Wastewater District Schedules. This party plans to accept AAWC's Consolidation Wastewater Rate Schedules, therefore no Wastewater Consolidated is presented.
- c. Miscellaneous Fees and Charge Schedule. These are in the Direct Testimony and will be discussed further in the Brief.

Attachment A

ASSUMPTIONS IN THE MAGRUDER CONSOLIDATED RATES MODEL

ARIZONA WATER COMPANY CONSOLIDATED RATES MODEL - WATER

Percentage of Consolidated Rates Step 1

Sun City	100.000%
SCW	100.000%
Agua Fria	100.000%
Anthem	100.000%
Tubac	100.000%
Mohave	100.000%
Havasupai	100.000%
PV	100.000%

Residential Rates and Blocks

5/8" - 3/4"

Customer Charge		\$14.50
First	3,000	\$0.9800
Next	7,000	\$2.5000
Next	15,000	\$3.0000
Next	20,000	\$3.5000
Over	45,000	\$4.0000

1"

Customer Charge		\$20.00
First	3,000	\$0.9800
Next	7,000	\$2.5000
Next	15,000	\$3.0000
Next	30,000	\$3.5000
Over	50,000	\$4.0000

1 1/2"

Customer Charge		\$70.00
First	3,000	\$0.9800
Next	22,000	\$2.5000
Next	25,000	\$3.0000
Next	50,000	\$3.5000
Over	100,000	\$4.0000

2"

Customer Charge		\$110.00
First	30,000	\$1.7500
Next	70,000	\$2.5000
Next	100,000	\$3.0000
Next	100,000	\$3.5000
Over	300,000	\$4.0000

3"

Customer Charge		\$245.00
First	25,000	\$2.0000
Next	75,000	\$2.5000
Next	100,000	\$3.0000
Next	100,000	\$3.5000
Over	300,000	\$4.0000

Commercial, OPA, Turf Rates and Blocks

5/8" - 3/4"

Customer Charge		\$17.50
First	3,000	\$0.9800
Next or First	7,000	2.5000
Next	15,000	3.0000
Next	25,000	3.5000
Over	45,000	4.0000

1"

Customer Charge		\$30.00
First		\$0.9800
Next or First	10,000	2.5000
Next	15,000	3.0000
Next	40,000	3.5000
Over	75,000	4.0000

1 1/2"

Customer Charge		\$70.00
First		\$0.9800
Next or First	25,000	2.5000
Next	25,000	3.0000
Next	150,000	3.5000
Over	200,000	4.0000

2"

Customer Charge		\$110.00
First		\$2.5000
Next or First	100,000	2.5000
Next	100,000	3.0000
Next	300,000	3.5000
Over	500,000	4.0000

3"

Customer Charge		\$245.00
First		\$2.5000
Next or First	1,000,000	2.5000
Next	2,000,000	3.0000
Next	3,000,000	3.5000
Over	6,000,000	4.0000

4"		
Customer Charge		\$395.00
First	100,000	\$2.0000
Next	100,000	\$2.5000
Next	100,000	\$3.0000
Next	200,000	\$3.5000
Over	500,000	\$4.0000

4"		
Customer Charge		\$395.00
First		\$2.5000
Next or First	100,000	2.5000
Next	200,000	3.0000
Next	1,700,000	3.5000
Over	3,500,000	4.0000

6"		
Customer Charge		\$700.00
First	100,000	\$2.0000
Next	100,000	\$2.5000
Next	250,000	\$3.0000
Next	500,000	\$3.5000
Over	950,000	\$4.0000

6"		
Customer Charge		\$700.00
First		\$2.5000
Next or First	1,000,000	2.5000
Next	3,000,000	3.0000
Next	3,000,000	3.5000
Over	7,000,000	4.0000

Apartments

Not Consolidated - Present rates in effect.

Non-Potable Rate

Customer Charge	\$ -
All Consumption	\$1.2700

Private Fire Rate

2"	
Customer Charge	\$10.00
3"	
Customer Charge	\$22.50
4"	
Customer Charge	\$40.00
6"	
Customer Charge	\$90.00
8"	
Customer Charge	\$160.00
10"	
Customer Charge	\$250.00
12"	
Customer Charge	\$360.00

Hydrants

Customer Charge	\$14.00
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Water Districts Included in Rate Consolidation

Included? Yes=1, No=0

Sun City	1
SCW	1
Agua Fria	1
Anthem	1
Tubac	1
Mohave	1
Havas	1
PV	1

Note: Extraneous blank lines and Tab Color lines removed.

ARIZONA AMERICAN WATER COMPANY
Summary of Consolidated Water Rates

	Revenue from <u>Consolidated Rates</u>	<u>Target Revenue</u>	<u>Difference</u>
Residential (a)	55,828,012	56,101,076	(273,065)
Commercial	13,410,100	12,510,487	899,613
OPA (b)	391,571	205,193	186,378
Sale For Resale (c)	283,898	279,308	4,590
Misc- Non-Potable	1,047,982	2,178,733	(1,130,752)
Private Fire	637,590	436,640	200,950
Total	71,599,152	71,711,438	(112,286)

(a) Includes Multi-family - rates are not consolidated.

(b) OPA in Aqua Fria (State Prison) and in Mohave consolidated to Commercial rates.

(c) Includes Peoria Public Interruptible in Sun City, PI Surprise and Water Contract in Aqua Fria and City of Phoenix in Anthem whose rates are not consolidated.